



**PROCEEDINGS OF THE BELOIT CITY COUNCIL**  
**100 State Street, Beloit WI 53511**  
**City Hall Forum – 7:00 p.m.**  
**Monday, December 19, 2016**

Presiding: David F. Luebke  
Present: Sheila De Forest, Regina Dunkin, Kevin Leavy, Mark Preuschl, Marilyn Sloniker  
Absent: Regina Hendrix

1. President Luebke called the meeting to order at 7:00 p.m. in the Forum at Beloit City Hall.
2. PLEDGE OF ALLEGIANCE
3. SPECIAL ORDERS OF THE DAY/ANNOUNCEMENTS - None
4. PUBLIC HEARINGS
  - a. Community Development Director, Julie Christensen, presented a resolution authorizing a Conditional Use Permit to allow a 6-story hotel building, in a C-3, Community Commercial District for property located at 3022 Ford Street Richard Steldt, on behalf of KDN Hospitality LLC, has filed an application for a Conditional Use Permit to allow a 6-story hotel building in a C-3, Community Commercial District, for the property located at 3022 Ford Street. The applicant has proposed the redevelopment of the subject property, which is a former lumberyard at the SW corner of the I-43 & I-39/90 interchange. This height request is related to the proposed reconstruction of this interchange, which contemplates elevated on-ramps to southbound I-39/90 from Milwaukee Road and I-43 southbound that will be immediately adjacent to the subject property. The applicant has proposed the construction of a 127-unit hotel building with an overall height of 6 stories/73 feet above grade. While the hotel use is permitted by-right in the C-3 district, the maximum height in the C-3 district is 4 stories/55 feet unless exceeded through review and approval of a Conditional Use Permit. The subject property is surrounded by interstate highway right-of-way to the north and east. The DOT has informed the property owner that they intend to acquire at least 1.6 acres for additional right-of-way related to the interchange reconstruction project. As part of this project, Ford Street may be reconstructed into a cul-de-sac. A Public Notice was sent to 4 nearby property owners. Planning staff has not received any comments. At Plan Commission's request, notices were also sent to the owners of 2784, 2786, 2790, & 2800 Milwaukee Rd. The Plan Commission reviewed this item on December 7, 2016 and voted unanimously (7-0) to recommend approval of the Conditional Use Permit, subject to these four conditions:
    - This approval authorizes the construction of a 127-unit hotel building with an overall height of up to 6 stories/73 feet above grade on the subject property.
    - Prior to issuance of a Building Permit for this hotel, all of the existing buildings on the subject property shall be demolished and the site cleared.
    - Prior to issuance of a Building Permit for this hotel, the applicant shall submit detailed site & architectural plans for Planning staff review and approval.
    - Any major changes in the adopted conditions or use of the property shall be approved by the Plan Commission and City Council by amending this Conditional Use Permit. The Director of Planning & Building Services may approve minor changes administratively.President Luebke opened the public hearing. No one spoke. President Luebke closed the public hearing. Councilors De Forest and Leavy made a motion to approve the resolution as presented. Motion carried. File 8582

5. CITIZEN PARTICIPATION

- a. Stacey J. Huels, Co-Founder and Chairman of TRU Aseptics Ingredients, introduced himself as the new business owner locating at 2924 Wyetta Drive, Beloit. With him this evening was business partner Jim Hurley who will be the CEO when the facility closes later this week. He explained that he is excited to close this deal and thanked several partners involved in making this business opportunity happen. They are excited to hiring upwards of 40 people at this facility in the next year.

The company has been around for nearly 120 years and employs more than 100 people to date. He said he has felt very welcomed by everyone and is looking forward to a long future with Beloit.

## 6. CONSENT AGENDA

Councilor De Forest asked to have item d. removed. Councilors Preuschl and Sloniker made a motion to adopt consent items a. through c. as presented. Motion carried.

- a. The Minutes of the Regular meeting of December 5, 2016 were approved.
- b. A resolution cancelling the January 3, 2017 Regular Meeting of the City Council was approved. File 5187
- c. A resolution declaring official intent to reimburse expenditures from proceeds of 2017 borrowing was approved. File 8731
- d. City Engineer, Mike Flesch presented a resolution authorizing final payment of public works contract C16-12, Broad Street bridge deck repairs. Councilor De Forest asked Mr. Flesch to explain the issues that occurred with the repairs and asked him to confirm that the issues have been resolved and that the City is satisfied with the outcome. He explained that a few areas needed to be readdressed and they have been resolved and the City is satisfied with the repairs and there is a one year warranty. Councilors Preuschl and Sloniker made a motion to adopt the resolution as presented. Motion carried. File 8715

## 7. LICENSES

- a. City Clerk, Lori Stottler presented a resolution approving an Amendment to Licensed Premises for Class "B" Beer and "Class B" Liquor License for Wisco Kitchen, LLC, 302 State Street, Jacqueline Gennett, Agent. The applicant originally applied to license both the first and second floor of the building but has since sub-leased the first floor into a cross-fit workout center. The second floor will be limited to classes, workshops and private events. The ABLCC met on December 13, 2016 and voted 4-0 to recommend approval of the license amendment. Councilors Leavy and Dunkin made a motion to approve the resolution as presented. Motion carried. File 8721
- b. City Clerk, Lori Stottler presented a resolution granting an Extension for the Issuance of a Class "B" Beer and "Class B" Liquor license for Zachariah Robert Davis, d/b/a/ The New Pop House, 863 Fifth Street. Mr. Davis explained to the ABLCC that he has experienced issues with the Deed to the property and didn't want to make the expenditures until he knew he owned the property. He has been able to clear that hurdle and asked for a six month extension of time to get the business open. The ABLCC met on December 13, 2016 and voted 4-0 to recommend approval of an extension of six months. Councilors Leavy and Dunkin made a motion to approve the resolution as presented. Motion carried. File 8721
- c. City Clerk, Lori Stottler presented a resolution granting an Extension for the Issuance of a Class "B" Beer and "Class B" Liquor License for Palermo Enterprise, LLC, located at 618 Fourth Street, Olsie Ekleberry. Mr. Gabrielle is seeking his second extension since being granted the license on November 16, 2015. He has not begun work on the property but plans to do so after the first of the year. He told the ABLCC that he has had some extenuating circumstances with the loss of a friend whose business he's been assisting in the interim. He told the committee that a six month extension is all he needs to begin work right after the first of the year. The ABLCC met on December 13, 2016 and voted 4-0 to recommend approval of an extension of six months. Councilor De Forest asked Mr. Gabrielle if he understood the circumstances under which they are considering this extension as it is quite rare and the expectation is high. Mr. Gabrielle said he did understand. Councilors Leavy and Dunkin made a motion to approve the resolution as presented. Motion carried. File 8721

## 8. ORDINANCES - None

## 9. APPOINTMENTS

Councilor Preuschl asked to recuse himself on the appointment of Teala Marie Lamoreux due to a conflict of interest as that's his employer. Councilors De Forest and Leavy made a motion to approve the appointment of Teala Marie Lamoreux, Northwoods Premium, 314-B State Street (replacing Mary Widder as Resident at Large) for a term ending December 31, 2019 to the Business Improvement District Board. Motion Carried 5-0-1 with Councilor Preuschl abstaining. Councilors De Forest and Leavy made a motion to approve all remaining appointments as listed. Motion carried 6-0. File 6716

- a. Appointment Review Committee File 6261  
Incumbent Kurt Reynolds to a term ending December 31, 2019

- b. Business Improvement District (Downtown Beloit Association) Board File 6716  
Incumbent Meghan Moss (Owner Occupant) to a three year term ending December 31, 2019  
Incumbent Malinda Obershaw (Owner Occupant) to a three year term ending December 31, 2019  
Teala Marie Lamoreux, Northwoods Premium, 314-B State Street (replacing Mary Widder as Resident at Large) for a term ending December 31, 2019  
Jessica Hernandez, First National Bank and Trust Co., 345 E. Grand Ave., (replacing Elaine Ribarich as Owner Occupant) for a term ending December 31, 2019
- c. Community Development Authority File 6054  
Merlin Kenitzer, 3488 Field Crest Ct. (replacing Manuel Casares) to a term ending December 31, 2017  
Charlene DeBrock, 532 Lawton Ave., #2104 (replacing Tressie Webster) to a term ending December 31, 2020
- d. Equal Opportunities Commission File 7465  
John S. Emery, 1626 Oakwood Ave. (replacing Mike Zoril) to a term ending June 30, 2017
- e. Municipal Golf Committee File 7382  
Incumbent William Maze, Jr. to a term ending December 31, 2019

#### 10. COUNCILOR ACTIVITIES AND UPCOMING EVENTS

- Councilor De Forest congratulated Josh Mohorko for his Eagle Scout project at East Lawn Cemetery of the Veteran's Memorial. She welcomed the other scouts in attendance tonight. She congratulated James Thompson on his new job and thanked him for his work at the Transit Department. His focus on customer service and commitment to coming to meetings and staying informed was noticed. She appreciated the implicit bias training that was provided by the City Manager and looks forward to further opportunities. She met with the logo consultant and attended the Downtown Beloit Association meeting.
- Councilor Sloniker attended the implicit bias training and found value in it. She also gave thanks for the DPW workers and others responsible for snow removal over the past two weeks.
- Councilor Dunkin also congratulated James Thompson for his service and wished him well in his new job. She wished everyone a happy holiday season.
- Councilor Preuschl noted that this was the last meeting of 2016 and expressed gratitude to the citizens, staff and businesses in Beloit and is appreciative of his role in helping making Beloit a great place to live.
- Councilor Leavy thanked James "Eric" Thompson for his service in Transit. He also thanked the crews who work in inclement weather and the street crews who keep our streets safe and clear for travel. He thanked Marc Perry for providing the implicit bias training to the council and lead staff members at the City.
- President Luebke attended a strategic planning meeting with City Manager Luther at the Beloit Historical Society as well as the community meeting at St. Thomas Church with the Police Department on police procedures.

#### 11. CITY MANAGER'S PRESENTATION

- a. Economic Development Director Andrew Janke gave a quarterly update on Beloit and the surrounding area. Mr. Janke shared updates in the Economic Development Community starting with the Ironworks. Several additions include Ebates/FatWallet Expansion, Comply365, AccuLynx and Mastercraft all had expansions. The Stateline Family YMCA is scheduled for grand opening in spring of 2017. The Ironworks South Parking Lot Expansion was a critical component that offered approximately 90 new parking stalls. The Irontek facility is a business incubator that offers co-working spaces and a tech hub for startups and idea networking. He explained that the Beloit College Power House project seeks an adaptive reuse from a power generating facility to a campus activity and recreation center. This center would include a fitness center/pool/track, a health and wellness center, flexible meeting spaces, lecture hall/movie theatre and they are nearing their fundraising goal of \$38 million.  
Industrial Development updates encompass the regional area to include Altra Industrial Motion in South Beloit on Gardner Street; the Riverside Energy Center in the Town of Beloit; TreeHouse Foods (Formerly ConAgra) in South Beloit; DePont Expansion; the new TMD facility on Stateline Road which has lead to Phase II of the State Line Industrial Park; Midwest Refrigerated Services on Kennedy Drive; Snyders Lance who recently purchased Diamond Foods; Frito Lay Expansion Project and the new start-up company, TRU Aseptics Ingredients on Wyetta Drive. Mr. Janke covered other notable projects as the G5 Brewing Company being proposed on Gateway Boulevard

that will likely include a full restaurant; the Hendricks Family Heart Hospital & Packard Cardiology Clinic; and the proposed Holiday Inn Express on Ford Street by KDN Hospitality.

In Residential Development, the Beloit Senior Living opened this fall with the Cranston Elderly Care Facility coming spring of 2017. Hawk's Ridge Apartments are expanding with 400 additional units on Gateway Blvd. The Walnut Grove Condos are adding 6 buildings (12 units), some of which are pre-sold. And finally, the Eagles Ridge Subdivision is moving again with New Leaf Homes has built 13 of the 14 plans to construct more including newly platted Raven Drive Subdivision. These new home values range from \$154,000 to \$206,000.

Mr. Janke shared some of the Economic Development's marketing strategies and plans to attend trade shows. He updated the Council on Workforce Development Activity, Infrastructure projects and strategic initiatives. He ended by sharing some economic indicators showing that Beloit is headed in the right direction in that sales tax collections, Residential activities, electric meters and usage, and investments and projects are up, while industrial vacancies, unemployment rates, bankruptcies and foreclosures are down. Some discussion followed on ways that we can find skilled and trained workers via the CareerTek program at Beloit School District and other opportunities to recruit skilled workers from Blackhawk Technical College and UW-Rock County.

## 12. REPORTS FROM BOARDS AND CITY OFFICERS

- a. Community Development Director, Julie Christensen, presented a resolution approving a Subdivision Development Agreement between the City of Beloit and New Leaf Homes, LLC. On November 21, 2016, the City Council approved a 6-Lot Subdivision Plat known as the Final Plat of Eagles Ridge Plat No. 2, which includes the City-owned 1.8-acre land located at 1725 Raven Court and New Leaf Homes' previously platted residential lot located at 1710 Raven Court. This approval was subject to three conditions of approval, including a condition stating that the plat may not be recorded until a Development Agreement has been approved by Council. The Development Agreement is intended to satisfy this condition of approval. Once the Development Agreement has been approved by the City Council and executed, the Final Plat can be recorded and a real estate closing can be scheduled. The developer's engineering team is already designing the public improvements and has met with City staff for a pre-application meeting. Councilors De Forest and Preuschl made a motion to adopt the resolution as presented. Motion carried. File 8642
- b. Director of Finance and Administrative Services, Eric Miller, presented a resolution approving certain changes to the Schedule of Fees and Charges, and Rates for 2017 for the City of Beloit, Wisconsin. Each year, fees are reviewed and evaluated in the budget process and are routinely adjusted to offset increases in services and programs. These fees update the changes reflected in the budget adopted by the council last month. The City has not received approval from the PFC on the recent water rate study and will return to the Council for approval when that arrives. Councilors Sloniker and Dunkin made a motion to adopt the resolution as presented. Motion carried. File 8731
- c. Director of Finance and Administrative Services, Eric Miller, presented a resolution declaring Doubtful Accounts, authorizing amounts to be written off Write-off, and receiving and filing the 2016 Report of the Comptroller. The City's Administrative Policy for Doubtful Accounts and Accounts Written-off requires the City Comptroller (Finance and Administrative Services Director) to annually present to the City Council any account of \$5,000 or more that is considered doubtful and should be written off as uncollectible. The Community & Housing Services Director recommends 9 loans, made through the City of Beloit Rehabilitation Loan Program and funded through the CDBG and HOME programs, to be written off as uncollectible. The Economic Development Director recommends 1 loan, made through the Commercial and Industrial Loan Program and funded through the CDBG program, to be written off as uncollectible. The Director of Accounting recommends 2 delinquent utility accounts to be written off as uncollectible. All of the Community Development loans recommended for write off are due to the properties being foreclosed and resold, either by the bank or the county, and/or the lendee being deceased. The Economic Development loan is recommended for write off because the lendees partnership fell apart and a notice of default was presented to lendee. Communications ceases and a personal judgement was signed and filed in November. The utility accounts are being recommended for write off because the properties were sold to new owners by the County at the foreclosure sale and the new owners are not responsible to pay off delinquent utility bills. All reasonable efforts to collect the delinquent accounts have been exhausted at this time. Therefore, in accordance with the City's policy, the accounts are considered to be doubtful and should be written-off as uncollectible. Councilors De Forest and Leavy made a motion to adopt the resolution as presented. Motion carried. File 8695
- d. City Attorney, Elizabeth A. Krueger, presented a resolution Waiving Right of First Refusal for 2924 Wyetta Drive. The City was approached about the potential sale of 2924 Wyetta Drive. The City, by virtue of Declaration of Restrictive Covenants, has repurchase rights related to the property. The

City has no interest in exercising those rights and wishes to consent to the transfer of the property from Wild Aseptics, Inc., to TRU Beloit Properties, LLC. Declaration of Restrictive Covenants permits the City to exercise the Right of First Refusal related to the potential sale of 2924 Wyetta. The City has no interest in the property and wishes to consent to the sale of the property. This waiver accomplishes that purpose. Councilors De Forest and Sloniker made a motion to adopt the resolution as presented. Motion carried. File 6476

- e. Deputy Fire Chief, Joe Murray, presented a resolution approving an extended Contract for Statewide Structural Collapse Team Members between the City of Beloit and the State of Wisconsin. The State of Wisconsin has developed a capability for heavy rescue and collapse rescue response through a multidisciplinary statewide collapse rescue team. Wisconsin Emergency Management provides for this team through contracting with local municipalities for team membership. We have participated in this program since its inception in 2003. The resolution and contract presented, contains a revised contract that reflects an expanded mission within the skill sets of the original urban Search and Rescue Team Concept, removes the requirement to medically monitor members, and includes changes that provide for continued funding of the program, including change from maximum funding availability to minimum funding availability. This resolution will allow us to continue with this program over the next two years. This resolution will also allow us to execute successor agreements that do not contain substantive changes. Councilors Sloniker and Preuschl made a motion to adopt the resolution as presented. Motion carried. File 8534
- f. Economic Development Director Andrew Janke presented a resolution authorizing the Sale of an approximately 5.12 Acre portion of 1801 Gateway Boulevard to Gateway Brewing Company, LLC. Lee and Jill Gunderson are interested in purchasing a 5.12 acre site in the Gateway Business Park to develop a full restaurant and craft brewery to be called G5 Brewing Company, LLC. The primary business of G5 Brewing Company is a craft brewery that will produce craft beers from a 10 barrel brewing system. The 10 barrel brewing system will produce between 8 – 10 regular and seasonal beers. It is anticipated steady growth in beer production and could reach as many as 10,000 barrels annually. The craft brewing business will be combined with a 150-170 seat bar and restaurant, along with an outdoor beer garden. G5 Brewing is proposing 9,750 square foot building to accommodate the brewery and restaurant. The brewery itself initially will be 3,126 square feet with the potential to expand as product demand increases and market share increases. The remaining 6,600 square feet will be comprised of space for the restaurant, kitchen, bar, and seating areas. It is anticipated the business will employ between 50-70 full and part-time workers between the brewery and restaurant when fully operational. The proposed site at 1801 Gateway Boulevard is located directly across from NorthStar Medical Radioisotopes and is ideally suited for the proposed use. Currently the site is Zoned C-1 which is appropriate for the initial use. To accommodate the projected volume of growth in beer projection the City and the Buyers will jointly apply to rezone the property to M-1. The buyer will need to obtain a permit from the State of Wisconsin to operate the craft brewery and a license from the City to operate the bar/restaurant. Assuming a closing by the end of February 2017, the Gunderson's will utilize the winter to finalize their design, obtain permits and then hope to begin construction in the spring of 2017 and open by the fall of 2017. The negotiated price is \$25,600 and is scheduled to close soon. A CSM creating the parcel will be created and filed prior to closing. The City has the ability to repurchase the property at the sale price if construction does not begin on-site within one year of closing. Councilors Preuschl and De Forest made a motion to adopt the resolution as presented. Motion carried. File 8642

13. Councilors Preuschl and Sloniker made a motion to adjourn at 8:15 p.m. Motion Carried.

  
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Lorena Rae Stottler, City Clerk

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Date approved by City Council: January 17, 2017